

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF SOUTH CAROLINA  
FLORENCE DIVISION

UNITED STATES OF AMERICA

v.

**KATHERINE WARD GRAY**

CRIMINAL NO. \_\_\_\_\_

18 U.S.C. § 1349  
18 U.S.C. § 981(a)(1)(C)  
18 U.S.C. § 982(a)(2)(A)  
28 U.S.C. § 2461(c)

**INFORMATION**

BACKGROUND

1. The Defendant, **KATHERINE WARD GRAY**, is a resident of Florence County, South Carolina.
2. Margaret Ward Heilman is also a resident of Florence County, South Carolina.
3. At all times pertinent to this Information, Margaret Ward Heilman was an employee of Carolina Insulation Contractors, Inc. (hereinafter “Carolina Insulation”), a business located in Florence County, South Carolina.
4. Carolina Insulation is a family owned and operated business.

**Count 1**  
**(Conspiracy to Commit Wire Fraud)**

**THE UNITED STATES ATTORNEY CHARGES:**

*The Conspiracy*

5. The factual allegations of paragraphs 1 through 4 of this Information are re-alleged as though fully set forth herein.
6. From beginning at least as early as September 2014 through at least May 2023, in the District of South Carolina and elsewhere, the Defendant, **KATHERINE WARD GRAY**,

Margaret Ward Heilman, and others, both known and unknown to the United States Attorney, knowingly and intentionally combined, conspired, confederated, agreed, and had a tacit understanding to knowingly devise a scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, in that **KATHERINE WARD GRAY**, Margaret Ward Heilman, and others known and unknown to the United States Attorney, did transmit and cause to be transmitted by means of wire, radio, or television communication in interstate commerce, writings, signs, signals, pictures and sounds for the purpose of executing the scheme and artifice to obtain money from Carolina Insulation to which they were not entitled, in violation of Title 18, United States Code, Section 1343.

*Object of the Conspiracy*

7. The object of the conspiracy was for the Defendant **KATHERINE WARD GRAY**, Margaret Ward Heilman, and others known and unknown to the United States Attorney, to obtain money and property from Carolina Insulation to which **KATHERINE WARD GRAY**, Margaret Ward Heilman, and others known and unknown to the United States Attorney would not have otherwise been entitled.

*Manner and Means of the Conspiracy*

8. The manner and means by which **KATHERINE WARD GRAY**, Margaret Ward Heilman, and others known and unknown to the United States Attorney, sought to accomplish the object of the conspiracy include the following:

- a. The Defendant **KATHERINE WARD GRAY** and Margaret Ward Heilman are sisters.
- b. Margaret Ward Heilman worked for Carolina Insulation for over 25 years, and she served as the bookkeeper for Carolina Insulation.

- c. As the bookkeeper, she was listed on Carolina Insulations bank account(s) and had signature authority.
- d. As part of the conspiracy, **KATHERINE WARD GRAY** would ask her sister, Margaret Ward Heilman for money for personal expenses when she needed it.
- e. Since Margaret Ward Heilman had access to Carolina Insulations checks and bank accounts, she would write **KATHERINE WARD GRAY** a check from Carolina Insulation's bank account(s) when requested.
- f. The amount of the check(s) written to **KATHERINE WARD GRAY** through the course of the conspiracy would range from \$100 to \$2,000.
- g. Margaret Ward Heilman would make the checks written to **KATHERINE WARD GRAY** look like legitimate business expenses on Carolina Insulation's ledger. Margaret Ward Heilman would do this by representing the check was a legitimate business expense; for example, a "men's travel expense." When, in fact, the check was written to **KATHERINE WARD GRAY** and was not a legitimate business expense.
- h. Once **KATHERINE WARD GRAY** received the check, she would use the funds, to which she was not entitled, on personal expenses.

All in violation of Title 18, United States Code, Section 1349.

## **FORFEITURE**

### **CONSPIRACY:**

Upon conviction to violate Title 18, United States Code, Section 1349 (conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1343) as charged in this Information, the Defendant, **KATHERINE WARD GRAY**, shall forfeit to the United States any property, real or personal, constituting, derived from or traceable to proceeds the Defendant obtained directly or indirectly as a result of such offense.

### **PROPERTY:**

Pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2)(A), and Title 28, United States Code, Section 2461(c), the property subject to forfeiture includes, but is not limited to, the following:

#### A. Proceeds/Forfeiture Judgment:

A sum of money equal to all proceeds the Defendant obtained directly or indirectly as the result of the offense charged in this Information, that is, a minimum of \$234,131.82 and all interest and proceeds traceable thereto, and/or such sum that equals all property derived from or traceable to her violation of 18 U.S.C. § 1349.

#### B. Vehicle:

-  
2020 Toyota Corolla  
VIN: JTDEPRAE2LJ061140  
Titled in the name of: Katherine Gray

SUBSTITUTION OF ASSETS:

If any of the property described above as being subject to forfeiture, as a result of any act or omission of a Defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third person;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intention of the United States, pursuant to Title 18, United States Code, Section 982(b)(1), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the Defendant up to the value of the forfeitable property.

Pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2)(A), and Title 28, United States Code, Section 2461(c).

ADAIR F. BOROUGH  
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